

111TH CONGRESS  
1ST SESSION

# S. 1754

To amend the Internal Revenue Code of 1986 to provide for a standard home office deduction in the case of certain uses of the office.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 2009

Mrs. BOXER (for herself, Mr. MERKLEY, Mr. LIEBERMAN, and Mr. BAYH) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide for a standard home office deduction in the case of certain uses of the office.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Office Deduc-  
5 tion Simplification Act of 2009”.

6 **SEC. 2. STANDARD HOME OFFICE DEDUCTION.**

7 (a) IN GENERAL.—Subsection (c) of section 280A of  
8 the Internal Revenue Code of 1986 (relating to disallow-  
9 ance of certain expenses in connection with business use

1 of home, rental of vacation homes, etc.) is amended by  
 2 adding at the end the following new paragraph:

3 “(7) STANDARD HOME OFFICE DEDUCTION.—

4 “(A) IN GENERAL.—In the case of an indi-  
 5 vidual who is allowed a deduction for the use of  
 6 a home office because of a use described in  
 7 paragraphs (1), (2), or (4) of this subsection,  
 8 notwithstanding the limitations of paragraph  
 9 (5), if such individual elects the application of  
 10 this paragraph for the taxable year, such indi-  
 11 vidual shall be allowed a deduction equal to the  
 12 standard home office deduction for the taxable  
 13 year in lieu of the deductions otherwise allow-  
 14 able under this chapter for such taxable year by  
 15 reason of being attributed to such use.

16 “(B) STANDARD HOME OFFICE DEDUC-  
 17 TION.—For purposes of this paragraph, the  
 18 standard home office deduction is the lesser  
 19 of—

20 “(i) \$1,500, or

21 “(ii) the gross income derived from  
 22 the individual’s trade or business for which  
 23 such use occurs.

24 “(C) INFLATION ADJUSTMENT.—In the  
 25 case of any taxable year beginning in a calendar

1           year after 2009, the dollar amount in subpara-  
2           graph (B)(i) shall be increased by an amount  
3           equal to—

4                   “(i) such dollar amount, multiplied by

5                   “(ii) the cost-of-living adjustment de-  
6                   termined under section 1(f)(3) for the cal-  
7                   endar year in which the taxable year be-  
8                   gins, determined by substituting ‘2008’ for  
9                   ‘1992’ in subparagraph (B) thereof.

10          Any increase determined under the preceding  
11          sentence shall be rounded to the nearest mul-  
12          tiple of \$100.”.

13          (b) EFFECTIVE DATE.—The amendment made by  
14          this section shall apply to taxable years beginning after  
15          December 31, 2008.

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